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CITY COURT OF NEW IBERIA

FINANCIAL REPORT

JUNE 30, 2011

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **JAN 25 2012**

CITY COURT OF NEW IBERIA, LOUISIANA
FINANCIAL REPORT

June 30, 2011

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INDEPENDENT AUDITOR'S REPORT

The Honorable Robert L. Segura, Judge
City Court of New Iberia
New Iberia, Louisiana

I have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the City Court of New Iberia, a component unit of the City of New Iberia, Louisiana, as of and for the year ended June 30, 2011, which collectively comprise the City Court of New Iberia's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the City Court of New Iberia's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the City Court of New Iberia as of June 30, 2011, and the respective changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 21, 2011, on my consideration of the City Court of New Iberia's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grants, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

The Honorable Robert L. Segura, Judge
City Court of New Iberia
New Iberia, Louisiana
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The required supplementary information on page 27 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

The City Court of New Iberia has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City Court of New Iberia's basic financial statements. The other supplementary information on pages 31 through 33 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink, reading "R. Perry Templeton". The signature is written in a cursive, flowing style. The "R" is large and loops around the "Perry". The "Templeton" is written in a similar cursive style, with the "T" being particularly prominent.

New Iberia, Louisiana
December 21, 2011

R. PERRY TEMPLETON, CERTIFIED PUBLIC ACCOUNTANT

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

CITY COURT OF NEW IBERIA

STATEMENT OF NET ASSETS

June 30, 2011

	<u>Governmental Activities</u>
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 85,061
Due from Fines Agency Fund	<u>24,649</u>
Total Current Assets	109,710
Non Current Assets:	
Capital Assets, Net	<u>8,862</u>
Total Assets	<u>118,572</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable and Accrued Expenses	<u>4,116</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	8,862
Unrestricted	<u>105,594</u>
Total Net Assets	<u>\$ 114,456</u>

The accompanying notes are an integral part of the basic financial statements.

CITY COURT OF NEW IBERIA

STATEMENT OF ACTIVITIES

Year Ended June 30, 2011

Governmental Activities

Expenditures:

Judiciary

Publications	\$ 19,727
Payments to City of New Iberia	70,000
Judge's Salary	81,317
Other Salaries	248,488
Office Supplies & Printing	25,847
Legal & Accounting Costs	4,445
Judge & Employees Retirement and Benefits	124,602
Dues, Meetings & Insurance	13,699
Other Miscellaneous Costs	5,957
Outside Services	14,168
Depreciation	<u>2,843</u>
Total Expenditures	<u>611,093</u>

Program Revenues

Revenues:

Fees, Charges and Commissions –	
Court Costs, Fees, and Fines	426,655
Bonds Forfeited	<u>3,132</u>
Total Program Revenues	<u>429,787</u>

Excess (Deficiency) of Revenues over Expenditures –
Governmental Activities

(181,306)

General Revenue

Intergovernmental

On Behalf Payments	143,555
Other Income	<u>42,562</u>
Total Other Revenue	186,117

Excess (Deficiency) of Revenues over Expenditures

4,811

Net Assets, Beginning of Year

109,645

Net Assets, End of Year

\$ 114,456

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUND DESCRIPTION

General Fund

The general fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

CITY COURT OF NEW IBERIA
BALANCE SHEET – GOVERNMENTAL FUND

June 30, 2011

	General Fund
ASSETS	
Cash and Cash Equivalents	\$ 85,061
Due from Fines Agency Fund	<u>24,649</u>
Total Assets	<u>\$ 109,710</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts Payable and Accrued Expenses	\$ 4,116
Fund Balances:	
Unassigned	<u>105,594</u>
Total Liabilities and Fund Balance	<u>\$ 109,710</u>

The accompanying notes are an integral part of the basic financial statements.

CITY COURT OF NEW IBERIA

RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF
NET ASSETS

June 30, 2011

Total Fund Balance for the Governmental Fund at June 30, 2011		\$ 105,594
Cost of Capital Assets at June 30, 2011	149,177	
Less: Accumulated Depreciation	<u>(140,315)</u>	<u>8,862</u>
Total Net Assets of Governmental Activities at June 30, 2011		<u>\$ 114,456</u>

The accompanying notes are an integral part of the basic financial statements.

CITY COURT OF NEW IBERIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS

Year Ended June 30, 2011

	General Fund
Revenues:	
Fees, Charges and Commissions –	
Court Costs, Fees, and Fines	\$ 426,655
Intergovernmental-	
On Behalf Payments	143,555
Bonds Forfeited	3,132
Other Income	42,562
Total Revenues	<u>615,904</u>
Expenditures:	
Current-	
General Government –	
Publications	19,727
Payments to City of New Iberia	70,000
Judge's Salary	81,317
Other Salaries	248,488
Office Supplies & Printing	25,847
Legal & Accounting Costs	4,445
Judge & Employees Retirement and Benefits	124,602
Dues, Meetings, & Insurance	13,699
Other Miscellaneous Costs	5,957
Outside Services	14,168
Capital Outlay	<u>1,350</u>
Total Expenditures	<u>609,600</u>
Excess (Deficiency) of Revenues Over Expenditures	6,304
Fund Balance, Beginning of Year	<u>99,290</u>
Fund Balance, End of Year	<u>\$ 105,594</u>

The accompanying notes are an integral part of the basic financial statements.

CITY COURT OF NEW IBERIA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
OF GOVERNMENTAL FUND TO THE STATEMENT
OF ACTIVITIES

For the Year Ended June 30, 2011

Total Net Change in Fund Balance for the Year Ended June 30, 2011 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 6,304
Add: Capital Outlay (Purchases) for the Year Ended June 30, 2011	1,350
Less: Depreciation Expense for Year Ended June 30, 2011	<u>2,843</u>
Total Change in Net Assets for the Year Ended June 30, 2011 per Statement of Activities	<u>\$ 4,811</u>

The accompanying notes are an integral part of the basic financial statements.

CITY COURT OF NEW IBERIA
STATEMENT OF FIDUCIARY NET ASSETS

June 30, 2011

	<u>Agency Funds</u>
ASSETS	
Cash	\$ <u>155,824</u>
Total Assets	\$ <u>155,824</u>
LIABILITIES	
Accounts Payable	\$ 17,058
Held for Others Pending Court Action	114,117
Due to General Fund	<u>24,649</u>
Total Liabilities	\$ <u>155,824</u>

The accompanying notes are an integral part of the basic financial statements.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS

INTRODUCTION

As provided by LSA-RS 13:1871 et seq, the City Court of New Iberia (Court) accounts for the operation of the Court's office. The City Court Judge is elected for a six-year term.

(1) Summary of Significant Accounting Policies

A. Financial Reporting Entity

As the governing authority of the City, for reporting purposes, the City of New Iberia is the financial reporting entity. The financial reporting entity consists of the primary government (City), organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the City of New Iberia for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. The criteria includes:

1. Appointing a voting majority of an organization's governing body, and
2. The ability of the City to impose its will on that organization and/or
3. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.
4. Organizations for which the City does not appoint a voting majority but are fiscally dependent on the City.
5. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the City provides the City Court of New Iberia with office space and pays the salaries and benefits of Court employees, the Court was determined to be a component unit of the City of New Iberia, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Court and do not present information on the City, the general government services provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(continued)

B. Basis of Presentation

The accompanying basic financial statements of the Court have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments, issued in June 1999.

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the Court as a whole. These statements include all the financial activities of the Court. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

The statement of activities presents a comparison between direct expenses and program revenues for the Court's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) court costs, fees, and fines paid by the recipients of services offered by the Court, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund-Financial Statements (FFS)

The Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Court functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Court are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(continued)

primary operating fund of the entity or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds. The General Fund of the Court is considered to be a major fund. The funds of the Court are described below:

Governmental Funds –

General Fund – This fund is the primary operating fund of the Court and it accounts for the operations of the Court's office. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the Court's policy.

Fiduciary Funds –

Fiduciary funds reporting focuses on net assets and changes in net assets. The only funds accounted for in this category by the Court are agency funds. The agency funds account for assets held by the Court as an agent for litigants in civil suits, cash bonds for criminal proceedings, and fees held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting. The agency funds are as follows:

Fines Agency Fund – accounts for the receipt and disbursement of bonds, fines, and costs from criminal proceedings to the appropriate governmental entity.

Civil Court Fund – accounts for advance deposits in civil suits and the receipt and disbursement of civil docket fees, small claims fees, and garnishments.

Bond Fund – accounts for the collection of bonds.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded with the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(continued)

- a. The governmental fund utilizes a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of a period.
- b. The government-wide financial statement utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net assets.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

D. Budgets and Budgetary Accounting

The City Court follows these procedures in establishing the budgetary data reflected in the financial statements.

1. A proposed budget is prepared and submitted to the Judge of the City Court for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. The budget is adopted on a basis consistent with generally accepted accounting principles (GAACP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the City Court.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(continued)

E. Assets, Liabilities, and Equity

Cash and Interest-Bearing Deposits

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Court.

The Court has established the policy of including all short-term, highly liquid investments with maturities of 90 or fewer days in cash and cash equivalents. Under state law, the Court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. See Note (3) for other GASB No. 3 disclosures.

Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the Court's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 or fewer days, they are classified as cash equivalents.

Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are capitalized at historical cost. The Court maintains a threshold level of \$500 for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(continued)

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Office furniture	7 years
Equipment	5 years

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund statements, governmental fund equity is classified as fund balance. The New Iberia City Court adopted GASB Statement 54 for the year ended June 30, 2011. As such, fund balances of the government funds are classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Judge, which is the highest level of decision-making authority for the New Iberia City Court.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.
- e. Unassigned – all other spendable amounts.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(continued)

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the New Iberia City Court considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the New Iberia City Court considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the New Iberia City Court has provided otherwise in its commitment or assignment actions.

F. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

Operating revenues and expenses are those that result from providing services and producing and delivering goods and/or services. Revenues and fees, charges and commissions for services are recorded when the Court is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenue when earned. Substantially all other revenues are recorded when received.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function. In the funds financial statements, expenditures are classified as follows:

Government Funds – By Character

G. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

H. Vacation and Sick Leave

Vacation is recorded as an expenditure of the period in which paid. It must be taken in the year accrued and cannot be carried over. There is no provision for sick leave at this time. Any liability the City Court of New Iberia, Louisiana might have in this regard is considered immaterial; therefore, no liability has been recorded in the accounts.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(continued)

(2) Cash and Interest-Bearing Deposits

Under state law, the Court may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Court may invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2011, the Court has cash and cash equivalents (book balances) totaling \$ as follows:

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Total</u>
Demand Deposits	\$ 85,061	\$ 155,824	\$ 240,885

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2011, totaled \$ 286,534 and are secured from risk by federal deposit insurance.

Custodial credit risk is the risk that in the event of a bank failure, the Court's deposits will not be returned to it. As of June 30, 2011 there was no custodial credit risk.

(3) Capital Assets

Capital asset activity for the year ended June 30, 2011 was as follows:

	<u>Balance 7/01/2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2011</u>
Governmental Activities:				
Furniture, Fixtures and Equipment	\$ 147,827	\$ 1,350	\$ -	\$ 149,177
Less: Accumulated Depreciation	<u>137,472</u>	<u>2,843</u>	<u>-</u>	<u>140,315</u>
Net Capital Assets	<u>\$ 10,355</u>	<u>\$ (1,493)</u>	<u>\$ -</u>	<u>\$ 8,862</u>

Depreciation expense of \$2,843 was charged to the general government function.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(continued)

(4) Changes in Agency Fund Balances

A summary of changes in agency fund unsettled deposits follows:

	<u>Fines Agency Fund</u>	<u>Civil Court Fund</u>	<u>Bond Fund</u>	<u>Total</u>
Beginning Balance, July 1, 2010	\$ 61,357	\$ 110,405	\$ 3,100	\$ 174,862
Additions	686,192	235,440	18,400	940,032
Reductions	<u>705,842</u>	<u>234,178</u>	<u>19,050</u>	<u>959,070</u>
Ending Balance, June 30, 2011	<u>\$ 41,707</u>	<u>\$ 111,667</u>	<u>\$ 2,450</u>	<u>\$ 155,824</u>

(5) On Behalf Payments for Salaries and Benefits

The Court follows GASB Statement No. 24, "Accounting and Financial Reporting for Certain Grants and Other Financial Assistance". This standard requires the Court to report in the financial statements on-behalf salary and fringe benefit payments made by the State of Louisiana to the City Court Judge and salary and fringe benefits payments made by the City of New Iberia to the Judge and the Court's employees.

Supplementary salary payments are made by the State directly to the City Court Judge and from the City to the Judge and the Court's employees. The Court is not legally responsible for these salary supplements. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contributions made by the State and the City. For the fiscal year ended June 30, 2011 the State and City paid \$114,177 in supplemental salary and benefit payments to the City Court Judge and the City made supplementary salary and benefit payments of \$29,378 to the City Court's employees.

(6) Pension Plan

Plan Description

Louisiana State Employees' Retirement System. The New Iberia City Court Judge is a member of the Louisiana State Employees' Retirement System, a cost-sharing, single-employer defined benefit pension plan administered by a separate board of trustees.

Eligibility Requirements

All state employees except certain classes of employees specifically excluded by Statute become members of the System as a condition of employment unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(continued)

Retirement Benefits

The age and years of creditable service required in order for a member to retire with full benefits are established by Statute and vary depending on the member's employer and job classification. The substantial majority of members may retire with full benefits at ages ranging from any age upon completing thirty years of creditable service, to age sixty upon completing ten years of creditable service. Members may choose to retire with 20 years of service at any age, with an actuarial reduced benefit.

The basic annual retirement benefit for substantially all members is equal to 2-1/2% of average compensation multiplied by the number of years of creditable service plus \$300. Participants who became members of LASERS on or after July 1, 1986, are not eligible for the \$300 addition to the annual retirement benefit formula. Average compensation is defined as the member's average annual earned compensation for the highest thirty-six consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or certain specified dollar amounts of actuarially determined monetary limits which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the above basic retirement benefit, a member may elect to receive his retirement benefits under any one of four different options providing for a reduced retirement benefit payable throughout his life with certain benefits being paid to his designated beneficiary after his death.

A member leaving employment before attaining minimum retirement age but after completing certain minimum service requirements becomes eligible for a benefit provided the member lives to the minimum service retirement age and does not withdraw his accumulated contributions. The minimum service requirements for benefits vary depending upon the member's employer and service classification.

Member Contributions

Member contribution rates for the System are established by Louisiana Revised Statute 11:62. Employee member contributions are deducted from their salary and remitted to the System by participating employers. For the year ended June 30, 2011 the Judge's contribution rate was 11.5%.

Employer Contributions

Each employer is required to contribute a percentage of each employee's earned compensation to finance participation of its employees in LASERS. The employer's contribution rate is established under Louisiana Revised Statutes 11:101-11:104 and annually by the Actuarial Forecasting Committee. For the year ending June 30, 2011 the City Court's contribution rate was 22%.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(continued)

All other City Court employees are members of the Municipal Employees Retirement System.

Municipal Employees' Retirement System. All permanent City employees who work at least 35 hours a week, not participating in another public funded retirement system and are under 60 years of age are members of the plan. Members of the plan may retire with thirty years of creditable service regardless of age, with twenty-five years of service at age 55, and with 10 years of service at age 60. The retirement allowance is equal to 3% of the member's final compensation multiplied by his years of creditable service, with certain provisions made for those employees who were members of the supplemental plan only prior to its revision date. Their retirement allowance may not exceed the greater of 100% of a member's final salary or compensation. The system also provides disability and survivor benefits. Benefits are established by the State statute.

State statute requires covered employees to contribute 9.25% of their earnings to the plan. The New Iberia City Court contributes a percentage to the plan as employer only of the portion of compensation the employees receive from the New Iberia City Court. For the year ending June 30, 2011 the City Court's portion was 14.25%

Although contributions are determined by State statute rather than actuarial calculations, actuarially required contributions are determined for the System, but not separately for the New Iberia City Court.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERS and employers. The System does not make separate measurements of assets and pension benefit obligation for individual employers.

Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's June 30, 2011 comprehensive annual financial report. The New Iberia City Court does not guarantee the benefits granted by the System.

The City Court's contributions to the systems for the years ended June 30, 2011, 2010, and 2009 were \$68,252, \$53,495 and \$50,518 respectively.

(7) Pending Litigation

At June 30, 2011 the Court was not involved in any litigation.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(continued)

(8) Other Postretirement Benefits

The New Iberia City Court provides no postretirement benefits.

(9) Risk Management

Potential significant losses are covered by the City of New Iberia's commercial insurances.

(10) Subsequent Events

Subsequent events have been evaluated through December 21, 2011, the date of the financial statement issuance.

REQUIRED SUPPLEMENTARY INFORMATION

CITY COURT OF NEW IBERIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Year Ended June 30, 2011

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fees, Charges and Commissions -				
Court Costs, Fees, and Fines	\$400,000	\$420,000	\$426,655	\$ 6,655
Intergovernmental				
On Behalf Payments	120,000	135,000	143,555	8,555
Bonds Forfeited, Net	3,000	3,000	3,132	132
Other Income	<u>3,400</u>	<u>43,400</u>	<u>42,562</u>	<u>(838)</u>
Total Revenues	526,400	601,400	615,904	14,504
Expenditures:				
Current -				
General Government:				
Publications	11,000	20,000	19,727	273
Payments to City of New Iberia	150,000	70,000	70,000	-
Judge's Salary	60,000	80,000	81,317	(1,317)
Other Salaries	225,000	240,000	248,488	(8,488)
Office Supplies & Printing	19,500	25,000	25,847	(847)
Legal & Accounting Costs	4,000	4,000	4,445	(445)
Judge & Employees Retirement				
and Benefits	47,500	125,000	124,602	398
Dues, Meetings, & Insurance	45,000	15,000	13,699	1,301
Other Miscellaneous Costs	11,000	10,000	5,957	4,043
Outside Services	10,000	10,000	14,168	(4,168)
Capital Outlay	<u>1,000</u>	<u>1,000</u>	<u>1,350</u>	<u>(350)</u>
Total Expenditures	584,000	600,000	609,600	(9,600)
Excess (Deficiency) of				
Revenues Over				
Expenditures	(57,600)	1,400	6,304	4,904
Fund Balance, Beginning of Year	<u>99,290</u>	<u>99,290</u>	<u>99,290</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 41,690</u>	<u>\$100,690</u>	<u>\$105,594</u>	<u>\$ 4,904</u>

The accompanying notes are an integral part of the basic financial statements.

OTHER SUPPLEMENTARY INFORMATION

OTHER FINANCIAL INFORMATION

FIDUCIARY FUNDS

Fines Agency Fund –

To account for the receipt and disbursement of bonds, fines, and costs from criminal proceedings to the appropriate governmental entity.

Civil Court Fund –

To account for advance deposits in civil suits and the receipt and disbursement of civil docket fees, small claims fees, and garnishments.

Bond Fund –

To account for the collection of bonds, fines, and costs in criminal proceedings.

CITY COURT OF NEW IBERIA
COMBINING STATEMENT OF ASSETS AND LIABILITIES

June 30, 2011

	<u>Fines Agency Fund</u>	<u>Civil Court Fund</u>	<u>Bond Fund</u>	<u>Total</u>
ASSETS				
Cash and Cash Equivalents	\$ 41,707	\$ 111,667	\$ 2,450	\$ 155,824
Total Assets	<u>\$ 41,707</u>	<u>\$ 111,667</u>	<u>\$ 2,450</u>	<u>\$ 155,824</u>
LIABILITIES				
Accounts Payable	\$ 17,058	\$ -	\$ -	\$ 17,058
Held for Other Pending Court Action	-	111,667	2,450	114,117
Due to General Fund	<u>24,649</u>	<u>-</u>	<u>-</u>	<u>24,649</u>
Total Liabilities	<u>\$ 41,707</u>	<u>\$111,667</u>	<u>\$ 2,450</u>	<u>\$ 155,824</u>

CITY COURT OF NEW IBERIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Year Ended June 30, 2011

	<u>Fines Agency Fund</u>	<u>Civil Court Fund</u>	<u>Bond Fund</u>	<u>Total</u>
ASSETS				
Balances, Beginning of Year as Previously Reported	\$ 61,357	\$ 110,405	\$ 3,100	\$ 174,862
Additions:				
Deposits-				
Bonds	-	-	18,400	18,400
Civil Suits	-	235,440	-	235,440
Fines and Court Costs	<u>686,192</u>	<u>-</u>	<u>-</u>	<u>686,192</u>
Total Additions	686,192	235,440	18,400	940,032
Total	<u>747,549</u>	<u>345,845</u>	<u>21,500</u>	<u>1,114,894</u>
Reductions:				
Deposits Settled to:				
Acadiana Criminalistic Lab	33,710	-	-	33,710
City Court of New Iberia Court Fees Transferred to the General Fund	436,353	-	-	436,353
City of New Iberia	26,795	-	-	26,795
Indigent Defender Board	69,093	-	-	69,093
Judges Support				
Compensation Fees	-	45,784	-	45,784
Judges Supplemental Compensation Fund	-	30,082	-	30,082
Marshal's Fees	76,175	29,993	-	106,168
District Attorney	30,730	-	-	30,730
Other	32,986	76,421	-	109,407
Refunds	<u>-</u>	<u>51,898</u>	<u>19,050</u>	<u>70,948</u>
Total Reductions	<u>\$ 705,842</u>	<u>\$ 234,178</u>	<u>\$ 19,050</u>	<u>\$ 959,070</u>

CITY COURT OF NEW IBERIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
(continued)

Year Ended June 30, 2011

	<u>Fines Agency Fund</u>	<u>Civil Court Fund</u>	<u>Bond Fund</u>	<u>Total</u>
Balances, End of Year	\$ <u>41,707</u>	\$ <u>111,667</u>	\$ <u>2,450</u>	\$ <u>155,824</u>

LIABILITIES

Due to Litigants and Others, Beginning of Year	\$ 61,357	\$ 110,405	\$ 3,100	\$ 174,862
Additions	686,192	235,440	18,400	940,032
Reductions	<u>705,842</u>	<u>234,178</u>	<u>19,050</u>	<u>959,070</u>
Due to Litigants and Others, End of Year	\$ <u>41,707</u>	\$ <u>111,667</u>	\$ <u>2,450</u>	\$ <u>155,824</u>

**COMPLIANCE
AND
INTERNAL CONTROL**

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MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LA CPA'S

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Robert L. Segura, Judge
City Court of New Iberia
New Iberia, Louisiana

I have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the City Court of New Iberia, a component unit of the City of New Iberia, as of and for the year ended June 30, 2011, which collectively comprise the City Court of New Iberia's basic financial statements and have issued my report thereon dated December 21, 2011. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the City Court of New Iberia's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City Court of New Iberia's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the City Court of New Iberia's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City Court of New Iberia financial statements will not be prevented, or detected on a timely basis.

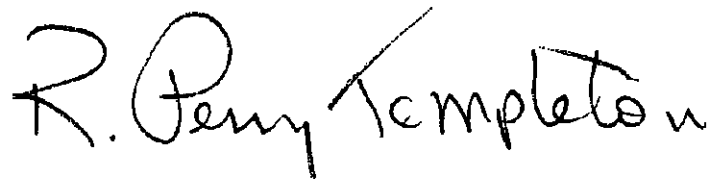
My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

The Honorable Robert L. Segura, Judge
City Court of New Iberia
New Iberia, Louisiana
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City Court of New Iberia's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the City Court of New Iberia, management, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in black ink that reads "R. Perry Templeton". The signature is written in a cursive, flowing style with a large initial "R" and a long, sweeping underline.

New Iberia, Louisiana
December 21, 2011

CITY COURT OF NEW IBERIA

Schedule of Audit Results, Findings, and Questioned Costs
For the Year Ended June 30, 2011

Section I – Summary of Auditors' Results

Type of auditors' report issued:

Unqualified

Internal control over financial reporting:

Significant deficiencies identified

_____yes

___x___no

Noncompliance material to financial statements noted

_____yes

___x___no

Section II – Summary of Current Year Audit Findings/ Compliance

None

CITY COURT OF NEW IBERIA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2011

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description Of Finding</u>	<u>Corrective Action Taken (Yes, No, Partial)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
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Section I – Internal Control and Compliance Material to the Financial Statements

None reported in prior year.

Section II – Management Letter

None reported in prior year.